BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of North-West Telephone Company for Approval of an Alternative Regulation Plan

July 21, 1998 – Noon

4260-TI-100

SUPPLEMENTAL NOTICE OF INVESTIGATION AND REQUEST FOR COMMENTS

Comments and Requests for Hearing Due: Address Comments To:

> July 22, 1998 – Noon Lynda L. Dorr

Secretary to the Commission Fax Due Date:

Public Service Commission

P.O. Box 7854

Madison, WI 53707-7854 Fax No. (608) 266-3957

On November 17, 1995, North-West Telephone Company (North-West) filed an alternative regulation plan (Plan) under s. 196.195(12), Stats. On June 20, 1996, the Public Service Commission of Wisconsin (Commission) approved North-West's Plan in this proceeding.

On September 16, 1996, Wayside Telephone Company (Wayside) notified the Commission of its intent to merge with North-West effective January 1, 1997. The Commission opened dockets 4260-TM-101 and 6340-TM-100, Merger of Wayside Telephone Company Into North-West Telephone Company. In consideration of the merger request, on October 16, 1996, North-West and Wayside submitted an application under docket 4260-TI-100 to modify the North-West Plan to include Wayside. On January 27, 1997, the Commission issued a letter order amending North-West's Plan to include the Wayside exchanges.

On December 1, 1997, Century Telephone Enterprises, Inc., took ownership of North-West by acquiring its parent company, Pacific Telecom, Inc. On May 8, 1998, North-West's name was changed to CenturyTel of the Midwest-Wisconsin, Inc. (CenturyTel).

On June 8, 1998, CenturyTel submitted a request to modify its Plan for changes to service quality components and benchmarks. CenturyTel requests to amend its Plan to replace the average time interval for installation component based on the Federal Communications Commission's Automated Reporting Mechanized Information System with the following two measurements and benchmarks:

a. Benchmark for percent of installation orders that meet customer requested due dates - 94 percent.

b. Benchmark for average number of days for service installation for customers without a customer requested due date - less than five days.

CenturyTel also requests that the distribution of penalty percentages in the Plan be changed for the time interval for installation component from .5 percent for one measurement to .25 percent for each of the two new measurements.

According to Provision two of the Plan, mid-course plan modifications and clarifications may be made to deal with rate structure changes and other specific, unforeseen developments. In addition to the modification to service quality components and benchmarks, on June 5, 1998, CenturyTel requested to modify its rate structure pursuant to Provision two to implement an intrastate Primary Interexchange Carrier Charge (PICC). The PICC is a flat rate per month charge to Interexchange Carriers who apply for each end user's common line. The PICC applies on a per interLATA and intraLATA PIC basis. According to CenturyTel, there will be no PICC directly charged to an end user customer who doesn't have an interLATA or intraLATA PIC. CenturyTel intends to offset the anticipated revenue from the PICC with a corresponding reduction in the switched access carrier common line rates.

NOTICE IS HEREBY GIVEN that the Commission is reopening this investigation to determine whether it is in the public interest to approve the proposed amendment to the Plan's average time interval for installation component and benchmark, and the rate structure modification to implement an intrastate PICC.

NOTICE IS FURTHER GIVEN that persons interested in filing comments or requesting a hearing in this docket should do so by noon on July 22, 1998. Comments and hearing requests should be addressed as indicated in the box on page 1 of this notice and must refer to docket 4260-TI-100. Industry parties are required to file an original and 15 copies if filing by mail or hand delivery. Members of the general public need only file one copy. Comments by fax must be filed by July 21, 1998. Fax filing cover sheets must state "Official Filing," the docket number, and the number of pages (limit 20 pages). File by one mode only.

Comments will be considered in the Commission's decision regarding the approval, rejection or modification of the Plan as amended and modified. If there is sufficient interest, the Commission may consider holding one or more public hearings on this matter.

NOTICE IS FURTHER GIVEN that the Commission deems it necessary in order to carry out its duties herein to investigate the books, accounts, practices and activities of CenturyTel. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such investigation will be assessed against and collected from

CenturyTel in accordance with the provisions of § 196.85, Stats., and ch. PSC 5, Wis. Admin. Code.

This is a Type III action under § PSC 4.10(3), Wis. Admin. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under § 1.11, Stats., nor an environmental assessment is required.

Docket 4260-TI-100

Questions regarding this investigation may be directed to Mary Stevens, Legal Counsel, Telecommunications Division, at (608) 266-1125, or Thomas J. Ferris, Audit Manager, Telecommunications Division, at (608) 266-1124.

Dated at Madison, Wisconsin	
By the Commission:	
Lynda L. Dorr	
Secretary to the Commission	

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cc: RM/Mail RM/MFC Lynda Dorr, PSCW